



To: Annette Ramirez/ClerkRec/COSLO@Wings,
Cc:
Bcc:
Subject: Re:
From: Mark Hutchinson/PubWorks/COSLO - Friday 08/15/2014 01:31 PM

History: This message has been replied to.

Thanks Annette. Oddly, I didn't find cr_board_clerk in the system. I've attached the two pieces of correspondence we have for Tuesday the 19th Board Item # 9: Please let me know if this doesn't work.



2014.08.06 Oceano CSD Letter to BOS.pdf



2014.08.15 Surplus Water Oceano email.pdf

***Mark Hutchinson, Deputy Director
San Luis Obispo County Department of Public Works
805.781.5252***





Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730

FAX (805) 481-6836

San Luis Obispo County Board of Supervisors

Bruce Gibson, Board Chair

Caren Ray, 4th District Supervisor

Adam Hill, 3rd District Supervisor

Frank Mecham, 1st District Supervisor

Debbie Arnold, 5th District Supervisor

Date: August 6, 2014

Subject: Letter of Support on State Water and Lopez Water actions

Dear Members of the Board of Supervisors,

The purpose of this letter is to provide you with the recommendations from the Board of Directors of the Oceano Community Services District (OCSD) on water resource issues that we understand the Board of Supervisors will consider for OCSD and other agencies who contract with the San Luis Obispo County Flood Control and Water Conservation District (Flood Control District) for State Water and Lopez Water supplies.

The water resources for the Five Cities area are supplied from State Water, Lopez Water and groundwater underlying the Northern Cities Management Area (NCMA). These three sources of supply have been vital in meeting the agricultural and municipal needs of the Five Cities and sustaining our local economy. The OCSD has proactively helped ensure water resource reliability since joining and paying for State Water for more than 20 years and reducing our reliance on Lopez and groundwater.

Despite the long term commitment to water resource reliability by OCSD, the current drought is impacting all agencies in our sub-region of the County. The 95% cut-back in the 2014 State Water allocation, declining groundwater levels, and the increased reliance on Lopez Water in 2014 are significant causes of concern. Therefore we support the preliminary recommendations of County Public Works staff to allocate 750 acre feet of the Flood Control District's carryover water in the State Water Project to OCSD for 2015.

The OCSD Board understands that the preliminary recommendations are based on anticipated water needs during the drought versus optional supplies available to local agencies. We understand that the preliminary recommendations support preservation of local water resources

Agenda Item No: 9 • Meeting Date: August 19, 2014

Presented By: Public Works Staff

Rec'd prior to the meeting & posted on: August 15, 2014

by bringing in currently available State Water. The OCSD is committed to working with other agencies utilizing Lopez Water and NCMA groundwater to ensure that this strategy is implemented in a fair and equitable manner for all agencies reliant on local water resources, while continuing to meet the needs of our customers during the drought. In summary, if the Board of Supervisors supports your staff recommendations, OCSD's first priority will be working with our neighboring communities during this drought so that State Water, Lopez Water and NCMA groundwater can be managed conjunctively and in a fiscally equitable manner.

Likewise, the OCSD is committed to working with other local agencies in addressing future reliability, including those issues that are currently being studied by the Flood Control District on issues such as water recycling and groundwater basin characterization. Later this month, we will be considering the update to the Integrated Regional Water Management Plan. In the coming months, we will initiate and promote dialogue between the NCMA agencies and the agencies who obtain groundwater underlying the Nipomo Mesa Management Area (NMMA).

Finally, we support current discussions on the Low Reservoir Response Plan (LRRP) for Lopez Water and a declaration of Surplus Water for water year 2014-15. The current LRRP identifies the need to modify the management of Lopez Lake when reservoir levels drop to 20,000 acre feet in storage (afis). This is estimated to occur later this year. These current efforts have created several LRRP operating scenarios which will be used to ensure that Lopez Water can meet an additional 3 – 4 years of demand, with corresponding increases in conservation as Lopez deliveries are reduced. Most notably, the OCSD is encouraged by discussions that acknowledge the need to curtail the allocation of Surplus Water generated from downstream users after reaching 20,000 afis, and the ability for each agency to carryover their Surplus Water while the LRRP is in effect.

Although the LRRP needs refinement before it can be presented to the Board of Supervisors for action, the progress on the LRRP provides us some comfort that the County and other agencies are realistically facing the water resource challenges of this drought, and that entities are preparing for increasing levels of conservation. Although more is to be done, OCSD customers have reduced consumption by about 6% since the beginning of the year and 9% for the most recent billing period.

OCSD's support on the issue of Surplus Water is specifically for the calculation where the use of Entitlement Water is counted first. This is consistent with the historical methodology and was only modified due to concerns for flooding in Oceano if Lopez Dam spilled in 2011-12. With progress on the LRRP, OCSD also supports the Board of Supervisors judgment and use of your emergency powers to approve additional emergency Lopez Water deliveries for water year 2014-15 in order to reduce overall groundwater pumping. This will allow local agencies to fully develop drought contingency plans as required by the State Water Board.


In summary, the following points reflect the recommendations of the OCSD Board of Directors:

- We appreciate and support the 2015 State Water Preliminary Recommendations prepared by County staff.
- We support a call for a meeting with San Luis Obispo County State Water Sub-contractors:
 - So that the underlying needs of State Water Subcontractors, especially in comparison to their other available supplies, can be better understood.

- So that maximum delivery of available State Water during the drought can help to reduce the impact on local water resources.
 - So that the preliminary recommendations can be finalized and submitted to the Board of Supervisors in a timely manner.
- We support the 2014-15 declaration of Surplus Water and emergency water for Lopez Water Contractors based on the preliminary 2015 State Water recommendations and the current status of the Lopez LRRP.
- It is our position that the 2015 delivery of State Water should be considered a higher priority than delivery of Lopez Surplus Water or pumping of NCMA groundwater to preserve local water resources.
- We are committed to help ensure the delivery of State Water in a fair and equitable manner for the overall best management of Lopez Water and NCMA groundwater supplies.
- We support the preliminary recommendations that are being developed for the Lopez Water LRRP.

We look forward to continued collaboration with our neighboring communities and appreciate the work of the County, the Board of Supervisors, and the Public Works Department.

Sincerely,



Matthew Guerrero
President, Oceano Community Services District.

From: Paavo [mailto:paavo@oceanocsd.org]

Sent: Friday, August 15, 2014 11:40 AM

To: mhutchinson@co.slo.ca.us; 'dbuckshi@co.slo.ca.us'; 'Matthew Guerrero'; 'dflynn@co.slo.ca.us'

Cc: 'Steve Adams'; 'Lewis, James'; 'Bob Perrault'; 'Geoff English'; 'Fine, Benjamin'; 'Greg Ray'; 'Teresa McClish'

Subject: Supplemental Recommendations

Mark,

In finishing a series of meeting with other Zone 3 agencies, we have concluded discussions on supplemental recommendations that we would like to have included in the August 19, 2014 agenda materials for item #9. It is our preference to have them included in a corrigenda item so that the public has the opportunity to review.

- a) To acknowledge that there continues to be a difference of opinion between the County and some of the Zone 3 member agencies (Agencies) regarding the Lopez Water Supply Contract interpretation. Specifically the order in which Project Water is delivered to the Agencies and the calculation of Surplus Water; and
- b) To document that the declaration of 2013/14 Lopez Surplus Water as drafted is intended to address water storage and distribution issues this year only and is not intended to establish methodologies for the calculation of Lopez Surplus Water on an on-going basis, and,
- c) To enter into negotiations with the Zone 3 member agencies to amend the Surplus Water provisions of the Lopez Water Supply contracts to improve and utilize the storage in the Lopez reservoir and increase reliability for municipal agencies while staying within its long-term safe yield; and,
- d) To return to the Board no later than November 19, 2014 with a status report on negotiations; and,
- e) To review the Flood Control District's budget with the Northern Cities Management Area (NCMA) and funding that is available for groundwater monitoring equipment and studies.

Paavo Ogren, General Manager
Oceano Community Services District
1655 Front Street, Oceano CA, 93445
PO Box 599, Oceano CA, 93475
(805) 481-6730 (office); (805) 481-6836 (fax)